



THE CITY OF WHITTIER

Gateway to Western Prince William Sound

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

**WHITTIER CITY COUNCIL
REGULAR MEETING
TUESDAY MARCH 16, 2021
7:00 PM
COUNCIL CHAMBERS
PUBLIC SAFETY BUILDING**

MINUTES

1. CALL TO ORDER

Mayor Dave Dickason called the meeting to order at 7:03 p.m.

2. OPENING CEREMONY

Mayor Dave Dickason led the Pledge of Allegiance.

3. ROLL CALL

A. Council members present and establishing a quorum:

Victor Shen, Dan Blair, Tom Wagner, David Pinquoch, Peter Denmark, and Dave Dickason.

MOTION: David Pinquoch made a motion to excuse Monty Irvin from tonight's meeting

SECOND: Tom Wagner

DISCUSSION: None

VOTE: Motion passed unanimously

B. Administration Present:

Jim Hunt, City Manager

Naelene Matsumiya, City Clerk

Kris Erchinger, Finance Director

Scott Korbe, Public Works Director

Dave Borg, Harbormaster

Andre Achee, Police Chief

Holly Wells, City Attorney

Others Present: Dave Goldstein, Rose Medez, Alexandra Matsumiya, Carrie Arro, Charlene Arneson, Dori Yelevertson, Greg Clifford, Nick Olzenak, Jay Johnson, Mike Bender, and Tim Wieland (Via Microsoft Teams)

4. APPROVAL OF MINUTES

February 16, 2021

MOTION: Dan Blair made a motion to approve the minutes as they are.

SECOND: Peter Denmark

DISCUSSION: Peter commended this set of minutes for the additional details and information.

VOTE: Motion passed unanimously

5. APPROVAL OF THE REGULAR MEETING AGENDA

MOTION: Dan Blair made a motion to approve the Regular Meeting Agenda with amendments to move the Executive Session item to 20a and Res. #06-2021 to Resolution item F (after Res. #10-2021)

SECOND: David Pinquoch

DISCUSSION: None

VOTE: Motion passed unanimously.

Tom Wagner declared a conflict of interest regarding the Executive Session item based on his employment with the Alaska Railroad. Council acknowledged the declaration and agreed to excuse Tom Wagner from participating in Executive Session.

6. MAYOR'S REPORT

A. Mayor Report

Dave Dickason stated that there wasn't much to report, however, he spoke about a memo he had received from the conservation fund for the Portage Pass trail head.

B. Vice Mayor Report

Peter Demark reminded everyone of the COVID vaccine and how accessible it is to get them in Whittier. He concluded, "If you're still on the fence about it, it hasn't killed anyone yet."

7. MANAGER'S REPORT

A. City Manager and Director Reports- Jim Hunt

Jim started his report to reiterate the conservation fund and stated that Scott Korbe would be knowledgeable in the subject due to his history. Jim reported that a letter of support was written for this, following practices from the year prior. Council discussed the topic of the Marsten land and the pending transfer to the Forest Service. Also discussed were the funds of the transfer and where it will go.

Jim reported on his meeting with Whittier Seafood and their upcoming season. He said they are working to coordinate expectations for the seasons. He stated that the attorney and the CEO of Eastern Alutian Tribes are also involved with conversations with Whittier Seafood. Jim stated that everyone involved is very proactive in making sure events from last year do not repeat. Holly Wells confirmed Jim's statement and commended the cooperation between the entities last year.

Jim described the situation with the appraisal company on getting the highest and best use of appraisal value on City owned lease properties. Kris Erchinger contributed to the conversation saying that when evaluations are received, those evaluations can differ depending on what the City's intent is. She gave examples for the Council.

Kris Erchinger gave her financial report and said that she is currently working on closing the

books for 2020. She reported that the expenditures at the end of the year was under budget by just about as much as we received from the CARES Act and FEMA. She summarized that the City was made whole from the grants that were received. She discussed revenues and sales tax and stated that we were underbudget for those items. She concluded saying the City was better off at the end of 2020. She mentioned monies that is to be expected relating to the pandemic estimating around \$40,000 in federal funds and losing some CVP funds. She continued.

Jim spoke about the \$40,000 funding and how it may be unfair to our community. He said he presented the issue to Alaska Representative Rauscher and the Director of the Alaska Municipal League. Jim continued to say that the community our size was still economically impacted because of the nature of tourism in Whittier. He said that Whittier's economy was dangerously impacted and reiterated the unfairness that funds are being distributed based on population size.

Dan Blair asked about the state of emergency and if the City anticipates coming down from it. Jim responded that he anticipates it to expire and has no plans to extend it. Dan reported some cyber compromises in municipalities with Microsoft. He asked if Alaska Communication Services guarantee cyber protection. Jim responded that ACS is very stringent when it comes to Information Technology (IT). Dan also asked about funding for Port and Harbors and if a timeline could be described. Dan corrected himself as he was reading from the Assistant City Manager's report. He then asked about the Delong Dock and if there was electrolysis prevention. Jim responded that it did not receive any cathodic protection. Dan asked about the Operations Manual that was listed in the Assistant City Manager's report. He asked why it would be Annie's responsibility and not a function of the City Clerk. Jim said that it was not the Clerk's job nor does she have the experience to do so. Holly weighed in. She said she had worked with the City Managers to develop an Office of the Clerk that would fall under the City Council and is led by the Council. She described the preliminary steps to begin the process for a project of this size. She gave Council the way the Clerk's office is set up now versus how it will differ whilst under the employment of the City Council. Holly stated that it was a very different beast. She said that plans will begin to present themselves at the May meeting. Dan also asked about the employee handbook. Holly responded that it was soon to be presented to the Council for input. Dan asked about the reference to the land-use permit and asked for an example for what that might look like. Jim responded that the City has leases and Land-Use permits in place and it was to ensure that those using the land stay in the confines for what the permit states. Dan asked Kris if the City was able to collect revenue for the tunnel contract. Kris answered that because of the pandemic and cruise ships not coming into Whittier, the tunnel did not need the same level of response in 2020. In that regard, the City also did not need to hire a seasonal officer for the Public Safety Department that would have been responsible for that area of patrol. Dan asked about unexpected revenue from the P-12 lease in 2020, he asked for information as he thought the sale was completed in 2019. Kris said she would have to investigate that. But according to her recollection is that when she looked at the revenues, they were higher due to a one-time lease from the Whittier Seafood egg room that was not part of a lease previous and was paid until the sale was finalized. Dan also asked about earthquake funding from FEMA to help repair parts of the shoreline that was damaged during the earthquake. He asked that when the contractor repairs it, does the City have a standard to follow in regard to the rising sea level. Kris answered that when FEMA funds repair of earthquake related or similar damages, they will only fund you back to pre- event conditions, so if the City wanted to improve a particular structure, the City will have to cover the cost to bring it up to standard and FEMA would only cover the cost of repairing back to its pre-damaged state.

Andre Achee gave a report on the Public Safety Department. He directed the Council to his 2020 stats on incidents that have been reported. The stats showed the total amount of service calls for the year that amounted to 1,882 calls. He explained the calls that came from Girdwood and the

calls that came from Whittier. He continued to explain that some calls may be from the Seward Highway and that most calls were for traffic violations. Andre reported that Joe Corbett had been promoted to Lieutenant of the Public Safety Department and explained the duties that are to be expected. He reported on the tsunami service contractor that had come into Whittier to update tsunami warning systems updated. Andre spoke about the weekly tests that will go off on Fridays and reassured that the system is up and ready. He briefly spoke about grants for tsunami warning systems and is hoping to install a second siren in Whittier. He reported on the ongoing training that is happening for staff and volunteers. He stated that positions have been advertised, one for seasonal EMS and another for a Police Officer.

Dave Dickason asked about the incident that happened on the Highway that involved dispatch and stated that it was important that the City do everything they can to address it and maybe find another provider if the issues preside.

Tom Wagner reported that the tsunami warning system and if it were possible to install a speaker at the BTI as he was not able to hear it from his apartment. Andre responded that it was a possibility and explained the receiver is triggered by radio waves. Andre also explained the NIXLE alerts that people have been receiving. Stating that it was because of the weather conditions that were happening at the time. Tom asked if maybe the tsunami alert system could trigger a NIXLE alert. Tom gave a brief anecdote of a reckless driver on the highway.

Peter Denmark asked what the tsunami warning system was hooked up to. Andre explained that there were 2 parts of the tsunami warning system; the main speaker set up and the housing for transmitter set up. When it is set off by the Police, the radio signal goes off to the siren. He explained that the siren may differ depending on the catastrophe/test. Peter asked what kind of event will trigger a tsunami siren. Andre replied that it would be an event that will have to be set off. Peter asked if the siren was hooked up to NOAA. Andre clarified that it is not. Peter mentioned the alert that was set off last year that was triggered by an event in the south east part of the state. Andre explained that everyone was alerted for that event depending on cellphone provider, however it was not sent to the City's NAWAS system and was not in the capabilities of the Whittier Public Safety Department. Peter stated that it would be preferred if there was a local activator specific to the hazards that face Whittier. Andre responded that seismic equipment is scheduled to be installed in Whittier.

Scott Korbe reported on projects. He shared that Shotgun Cove Road environmental assessments is out on federal highways. Notice for public comments should be going out for the EA. He stated that the City is still on track to be shovel ready. He gave an update on the wells project. Right now, we are currently seeking funding for the project. He reported that for Shotgun Cove Road, he is looking for about \$40,000,000 in grants. Dave Dickason asked about the project happening in the Alyeska highway intersection. Scott responded that he knows that the DOT and public outreach came to the Council last fall and will return as the project nears. He is not aware that it is up to bid yet.

Dave Borg stated that he did not have much to report. He has been busy with staff training. He commended the Harbor staff for their work both outside and in administration. He reported that the Harbor is catching up with files and other housekeeping duties. Dave Dickason asked about the campground plan. Dave Borg replied that because of the lack of staff last year, he had most of his staff monitoring the launch ramps. He said that he and Annie discussed different options, but it is a little early to say. Nothing too substantial to discuss at this point.

B. Attorney's Comments

8. COMMISSION/COMMITTEE REPORTS

A. Planning Commission

Nothing new to report

B. Port & Harbor Commission

Nothing new to report

C. Parks & Recreation Committee

Peter Denmark made a comment on the Orca sculpture that is out in the Triangle and said it had been out all winter and it needs a little work. Dave Dickason offered the school as an option, however Scott Korbe stated it will not fit anywhere at the facility. Dave and Victor discussed several options.

D. Whittier Community School

Tim Wieland reported on the following: Saturday School, Thanksgiving meals in February, shop activities, spring break, Barbara Lydon visiting the students for art projects. Ending of 3rd quarter, Parent Teacher Conference and PEAKS testing. He reminded everyone of the EAC meeting on Thursday at 6:30pm, link can be found on the website.

E. Prince William Sound Aquaculture Corp.

Nothing new to report

F. Regional Citizen's Advisory Council

Mike Bender commented that April 19th-20th is the SERVVS drill.

9. CITIZENS COMMENTS ON AGENDA ITEMS NOT SCHEDULED FOR PUBLIC HEARING

Carrie Arro, a boat owner spoke in favor of adopting Res. #07-2021 for reducing monthly transient moorage fees for the 2021 season. She continued about comparisons made between Whittier and Seward from customers make it so that Whittier becomes a competitor and an easy choice for people looking to get out in the sound. She believes this will stimulate local economy and how it is important now.

10. APPROVAL OF THE CONSENT AGENDA

A. Liquor License Renewal, The Outpost Liquor Door – 1075

MOTION: Dan Blair made a motion to approve the item in the Consent Agenda

SECOND: Tom Wagner

DISCUSSION: None

VOTE: Motion passed unanimously

11. PUBLIC HEARINGS (NON-ORDINANCE)

None

12. PRESENTATIONS

None

13. ORDINANCES

14. RESOLUTIONS

A. Resolution 06-2021 – A Resolution of the City Council of the City of Whittier, Alaska, in an Effort to Establish an Austerity Fiscal Strategy, Direct the City Manager to Implement an Immediate Hiring Freeze on All Full Time Employee Positions Except Police Officer Positions (Clerk's note: Item was moved from A to F during meeting)

MOTION: David Pinquoch made a motion to postpone Res. #06-2021 indefinitely

SECOND: Dan Blair

DISCUSSION: Peter Denmark asked about the difference between tabling and postponing indefinitely. Holly Wells responded that the two are similar and can work in the same function.

VOTE: Motion passed unanimously

B. Resolution #07-2021 – A Resolution Of The City Council Of The City Of Whittier, Alaska, Authorizing Reducing Monthly Transient Moorage Fees for the 2021 Summer Season from \$21.83 per foot to \$15.30 per foot to Promote Local Economic Development and Encourage Local Alaskans to Select Whittier as their Destination of Choice for Outdoor Activities in Prince William Sound

MOTION: Dan Blair made a motion to adopt Res. #07-2021

SECOND: Tom Wagner

DISCUSSION: Council discussed the topic at length. Dave Borg explained that he had been getting feedback from people who wished to put their boats in the Harbor. David Pinquoch commended the resolution but offered some language changes. Peter Denmark claimed that there was a lack of transparency when it comes to business pertaining to the Harbor and the Port and Harbor Commission. Holly Wells weighed in. Discussion on communication between Council and Administration ensued.

VOTE: Motion passed 5-2

C. Resolution #08-2021 – A Resolution of the City Council of the City of Whittier, Alaska, Release all Non-Essential Railroad Lands held by the Alaska railroad Corporation Under the Master Lease with the City of Whittier in Fee Simple

MOTION: Peter Denmark made a motion to postpone Res. #08-2021 until after Executive Session.

SECOND: David Pinquoch

DISCUSSION: None

VOTE: Motion passed unanimously

(Clerk's note: Following motion was made after Council came out of Executive Session)

MOTION: Dan Blair made a motion to adopt Res. #08-2021

SECOND: Victor Shen

DISCUSSION: None

VOTE: Motion passed 6-1, with Tom Wagner recused from voting

D. Resolution #09-2021 – A Resolution of the City Council of the City of Whittier, Alaska, Retroactively Amending the 2020 Budget to Record Expenditures of \$113,326.06 Paid by the

State of Alaska on Behalf of the City Towards the City's Public Employees Retirement System Liability for the Period of January through December 2020, and Appropriating Funds

MOTION: Dan Blair made a motion to adopt Res. #09-2021

SECOND: Victor Shen

DISCUSSION: None

VOTE: Motion passed unanimously

E. Resolution #10-2021 – A Resolution of the City Council of the City of Whittier, Alaska, Prioritizing 2021 Budget Spending and Potential cuts Amid Ongoing Impacts of the Pandemic and Likely Loss of Cruise Ships During the 2021 Cruise Season

MOTION: David Pinquoch made a motion to adopt Res. #10-2021

SECOND: Tom Wagner

DISCUSSION: Kris explained that this resolution was just to show the breaking down of expenses by the end of the year so that the Budget is balanced.

VOTE: Motion passed unanimously

15. EXECUTIVE SESSION (Item moved to 19a)

(Clerk's note: Tom Wagner left the meeting at 9:35 pm)

A. Land Dispute with the Alaska Railroad – Matters that, if immediately disclosed, would tend to adversely affect the finances of the City WMC 2.08.040 (1)

MOTION: Dan Blair made a motion to enter into Executive Session

SECOND: Monty Irvin

DISCUSSION: None

VOTE: Motion passed unanimously

COUNCIL ENTERED INTO EXECUTIVE SESSION AT 9:38 pm

MOTION: Dan Blair made a motion to come out of Executive Session

SECOND: Monty Irvin

DISCUSSION: None

VOTE: Motion passed unanimously

COUNCIL EXITED EXECUTIVE SESSION AND RESUMED REGULAR MEETING AT 10:00 pm

16. NEW BUSINESS

17. COUNCIL DISCUSSION

Dan asked about fiscal policies and action plans of what happens when there is significant revenue loss. He stated that it would be nice to have fiscal policies in place that would require and encourage administration to bring forward a budget that reflected that. He explained that in 2019, a budget was presented to the Council that showed immense spending. He said that ideally, it would have been an opportunity for the City to mitigate risk. Kris responded to Dan saying, that when the City formulated the budget, there was no discussion about the City over spending a Capitol Project without the money to pay for it. She continued saying it was a discussion with the Council when she arrived, that the

main priority was to build the City's fund balance to \$2,000,000. And the City achieved that goal. So, she established fiscal policies and used those policies to identify how well they were meeting them. After identifying those aspects, she explained that she wanted to craft a plan to improve in each of those areas. She explained that one of the goals now is taking money out of the reserves and putting them into a capitol fund. But in the course of doing so, The City drew down \$1.2 million of the reserve that the City had just thought we built. She claimed that what Dan had said was unfair as it posed as an assumption that the City had crafted a budget and spent every dime. Dan corrected himself and clarified. Kris thanked him for his clarification. She continued by stating options for investment opportunities. Dan thanked Kris for her patience with him. He stated that having fiscal policies in place, this can mitigate future financial issues.

David Pinquoch thanked those who were responsible for whoever worked for Res. #10-2021. He brought up the Harbor handbook and the code changes. He asked about the Handbook and was expecting the handbook to be passed by the Council. Holly responded that Council approves regulations, and the handbook is a reiteration of those regulations in user-friendly references to the code provisions. She continued. Peter Denmark commented and said that although it was requested, it was ignored. Holly responded to the Council saying if Council wants to have a role in approving handbooks that currently falls under the authority of the Administration and Commission, it can be done to change who can have authority, but approval of the handbook isn't appropriate for the Council. Dan Blair asked about the approval of Fee Schedules. Holly responded that there is a lot for discussion in terms of the laws that are adopted and the fees that are adopted. She discussed the topic with the Council for some time.

18. CITIZEN'S DISCUSSION

Mike Bender stated that Lazy Otter is expecting some interesting changes.

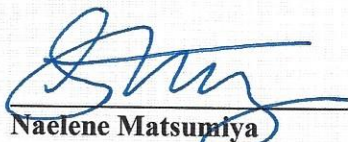
19. COUNCIL AND ADMINISTRATION'S RESPONSE TO CITIZEN'S COMMENTS

None

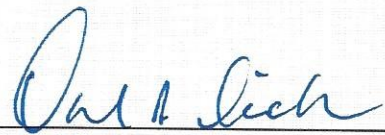
20. ADJOURNMENT

Council adjourned the meeting at 10:02pm

ATTEST:



Naelene Matsunaga
City Clerk



Dave Dickason
Mayor